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THE REORGANIZATION OF HUNGARY'S FOREIGN TRADE

U. Vanagas

Toward the end of 1947, 60 percent of Hungary's foreign trade was in private hands. As a result of the nationalization of banks in November 1947, and the nationalization of industrial enterprises employing over 100 persons in March 1948, the position of the state and the people in the national economy was strengthened. Specifically, over 50 percent of all foreign trade passed into the hands of state and cooperative enterprises.

With the aim of completely forcing out private capital, a reorganization of Hungary's foreign trade was carried out. In the autumn of 1948, seven specialized state firms charged with carrying out all foreign trade operations were created by a special governmental decree. They are:

1. East European Trading Company (Kelet-europai Kereskedelmi RT), handling the export and import of lumber, paper, cellulose, chemical goods, drugs, rubber, petroleum, and petroleum products.
2. A company for the export and import of agricultural products (Magyar Mezőgazdasági Kivitel és Behozatali RT).
3. A company for Hungarian Foreign Trade (Magyar Kulforgalmi RT), exporting vegetable oils, beans, seeds for cultivation of olives, textiles, leather, and fur products; and importing cotton, wool, rayon, raw hides, aniline dyes, and motion picture films.
4. Export Trade Company (Export Kereskedelmi és Auszerzo RT), among whose duties is the official formulation and completion of compensation transactions.

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5. National Foreign Trade Enterprise of the Hungarian State Monopolies (Allami Egyedarsagok Kulkereskedelmi Nemzeti Vallalata) for the export and import of salt, tobacco, alcohol, and sugar.

6. The Hungarian Heavy Industry Products Foreign Trade Enterprise (Magyar Nehezipari Kulkereskedelmi Vallalata NIK).

7. The Hungarian National Enterprise for foreign trade of engineering goods, "Ferrunion," exporting and importing means of communication, precision tools, bicycles, and motorcycles, sanitary engineering equipment, enamelware, and consumers' goods.

(From newspaper Szabad Nep, 3 Sep 1948; magazine Danubian Trade, Oct 1948; Bulletins of the Hungarian-Soviet Chamber of Commerce for Sep - Oct, 1948; and the Hungarian-Soviet Economic Review, No 1 and 2, 1948.)

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- 2 -

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